

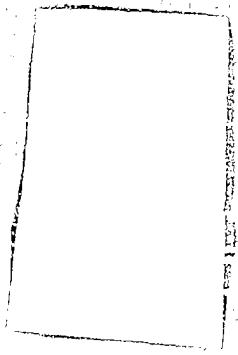
ACME MARKETS, INC.

ANNUAL REPORT

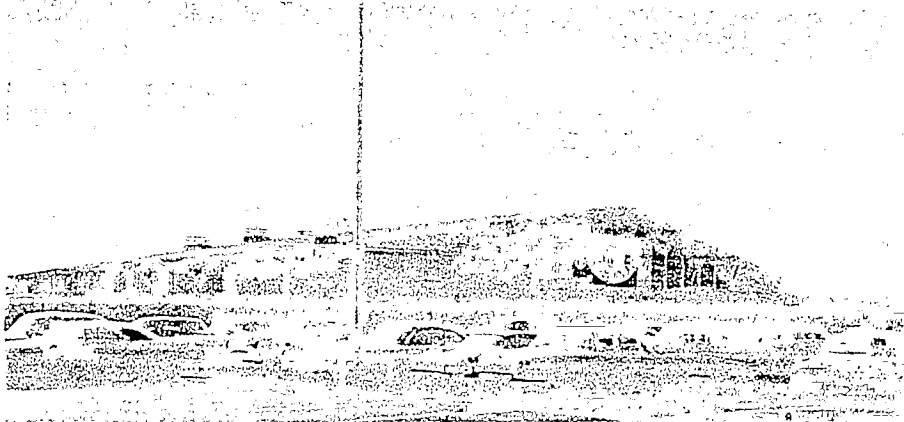
FISCAL YEAR ENDED MARCH 28,

1964

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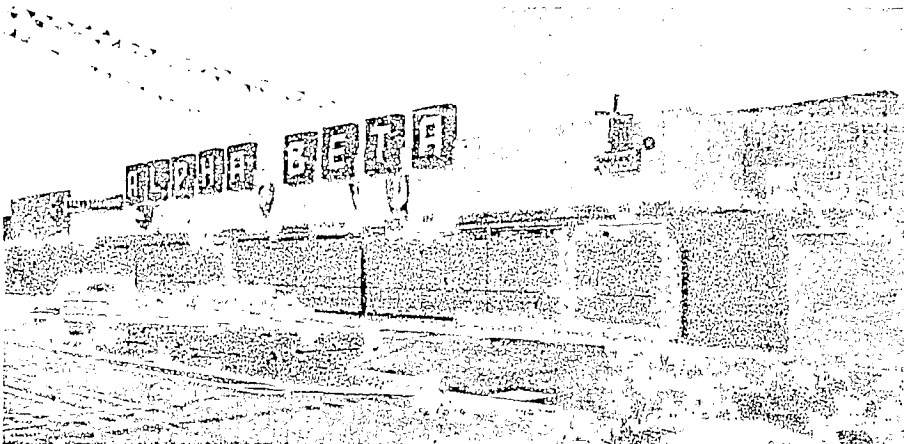
Upper Darby (Philadelphia), Pa.—opened August 21, 1963



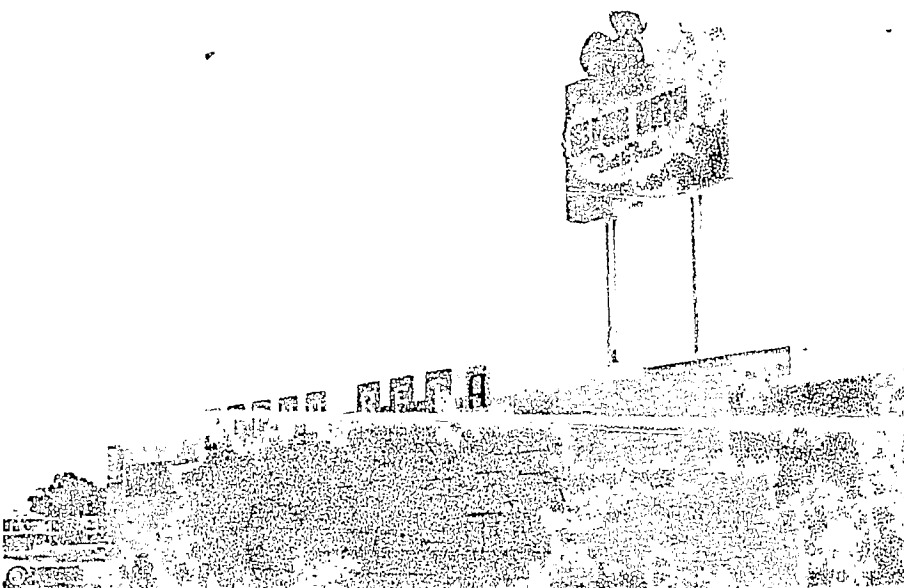
Pottstown, Pa.—opened March 18, 1964



La Mesa (San Diego), California—opened January 27, 1964



Costa Mesa, California—opened February 10, 1964



## DIRECTORS

FRED J. HEANEY  
JAMES K. ROBINSON, JR.  
THOMAS H. SHERRARD  
JOHN R. PARK  
WILFRED D. GILLEN  
PAUL J. CUPP  
A. J. FAULHABER  
ARTHUR LITTLETON  
FRANK L. SPOON  
ARTHUR C. KAUFMANN  
A. KOHR SPRENKLE  
CLAUDE W. EDWARDS  
DAVID M. PARK

Acme Markets, Inc. Annual Report For the Fiscal Year Ended March 28, 1964

## OFFICERS

PAUL J. CUPP, *Chairman, Board of Directors, and President*  
JOHN R. PARK, *Executive Vice President*  
JAMES K. ROBINSON, JR., *Vice President*  
A. J. FAULHABER, *Vice President*  
A. KOHR SPRENKLE, *Vice President*  
BLAYNEY J. BARTON, *Vice President*  
WM. CARLISLE FERGUSON, *Vice President*  
CLAUDE W. EDWARDS, *Vice President*  
GORDON E. HOVEY, *Vice President*  
A. E. GILFILLAN, *Vice President and Assistant Secretary*  
JAMES A. HAMILL, *Vice President*  
S. A. GOULD, *Assistant to the President*  
E. A. COLSON, *Secretary*  
DAVID M. PARK, *Treasurer and Assistant Secretary*  
A. BALFOUR BREHMAN, *Assistant Secretary*

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## GENERAL OFFICES

124 North 15th Street • Philadelphia 2, Pa.

## TRANSFER AGENTS

The First Pennsylvania Banking and Trust Company • Philadelphia, Pa.  
Bankers Trust Company • New York, N. Y.

## REGISTRARS

Fidelity-Philadelphia Trust Company • Philadelphia, Pa.  
First National City Bank • New York, N. Y.

## STOCK EXCHANGES

New York Stock Exchange  
Philadelphia-Baltimore-Washington Stock Exchange

## ANNUAL MEETING

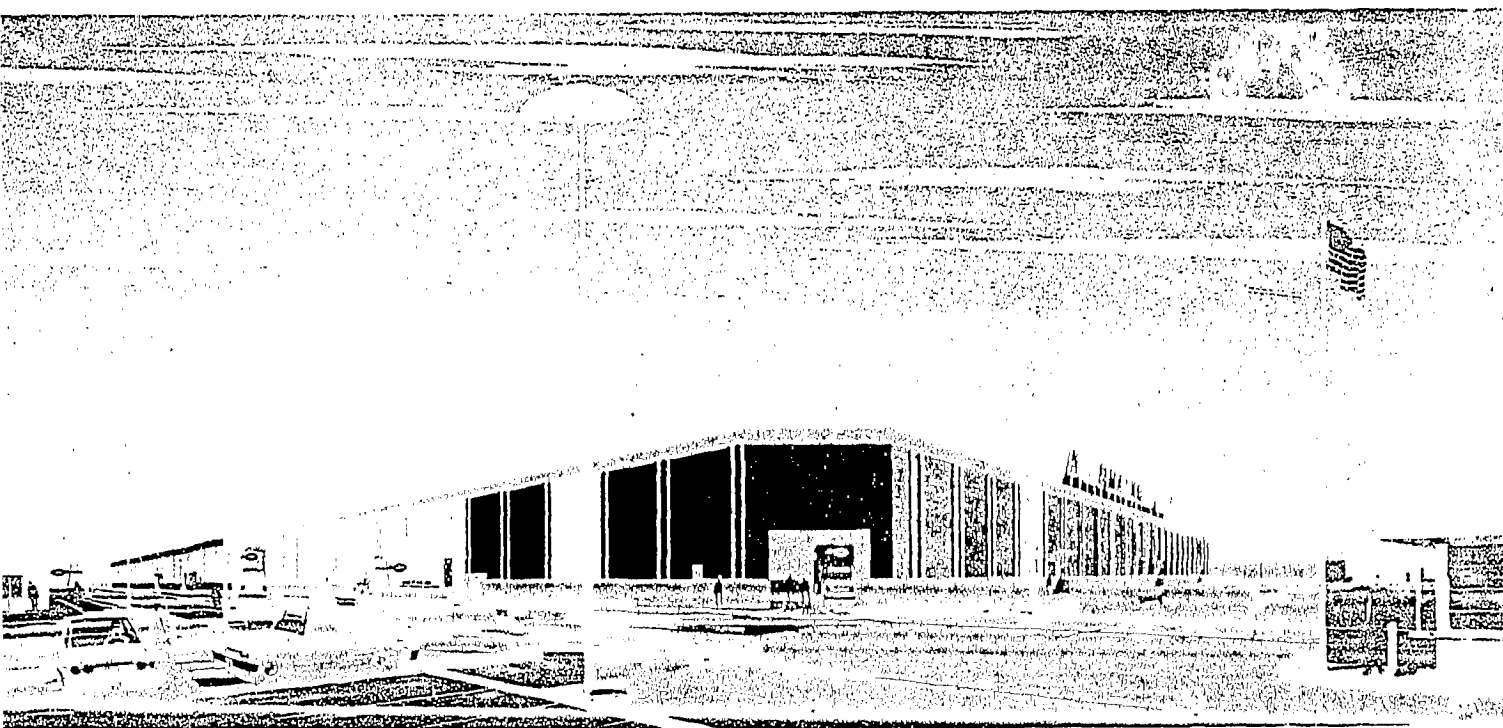
*The annual meeting of the shareholders  
will be held at the General Offices  
on Wednesday, June 24, 1964 at 3:00 P.M. EDST.*

# ACME MARKETS, INC. and Subsidiaries

	52 WEEKS ENDED MARCH 28, 1964	52 WEEKS ENDED MARCH 30, 1963
Sales .....	\$1,118,686,225	\$1,081,061,159
Net Earnings .....	\$13,589,764	\$13,060,893
Earnings per share of Common Stock ..	\$5.25	\$5.06 (a)
Cash Dividends on Common Stock— annual rate .....	\$2.00	\$2.00
Stock Dividend .....	5%	5%
Working Capital .....	\$78,056,901	\$75,016,906
Current Ratio .....	2.25 to 1	2.33 to 1
Common Stockholders' Equity .....	\$148,946,780	\$140,095,584
Equity per share of Common Stock ...	\$57.55	\$54.25 (a)
Number of stores at year-end .....	883	862

(a) Adjusted for 5% Stock Dividend paid in 1964

For more comprehensive comparisons see Ten-Year Statistical Summary on page 12.



Architect's rendering of the proposed new distribution center to be located in Philadelphia, Pa.

## President's Report to the Shareholders



**Your Company** achieved new records in sales and net earnings in the year ended March 28, 1964. Marked improvement in the fourth fiscal quarter brought this about.

Sales reached a level of \$1,118,686,225 while net earnings rose to \$13,589,764, an improvement of 4% over the previous year, and exceeded the record high established in the year ended March 31, 1962. Per share earnings came to \$5.25, compared to \$5.06 the previous year as adjusted for the year-end stock dividend of 5%.

Long range plans for accelerated growth and improved profitability were crystallized in the past year. Last month we occupied the new distribution center at LaHabra, California, the most modern and, we believe, the most efficient in the industry. Other plans for future growth are discussed in the Financial and Operating Review.

During the year the Company divested itself of four small processing facilities no longer needed or justified. A creamery at Lakeville, Minnesota, a milk evaporating plant at Neillsville, Wisconsin, a green coffee mill at Cartago, Colombia, South America, and a meat processing plant at Buffalo, New York, were sold with no aggregate loss.

Much has been said and written these past months about food costs, the unsatisfactory returns to some producers, with allegations against unnamed profiteers. The larger chains become the easy targets for irresponsible charges, which have directed the attention of government to a possible food industry investigation.

Since all the larger food retailers are already publicly owned, and subject to regulation which requires full disclosure of their results, the limited profits in this most competitive of all industries is clear to all who examine the audited financial statements. Charges of profiteering, or abuse of buying power resulting in exorbitant profits, have no basis in fact.

It is no secret that operating costs have kept advancing, that wages are not static, that union contracts are rarely settled without increases, and often with substantial increases outrunning productivity gains. The problem confronting food distributors is always one of holding down total operating costs as a percentage of sales.

Enlightened managements have learned to cooperate with government at every level. If an investigation of the food industry is conducted, and the work is done by objective and competent people, mass food distribution could receive the greatest endorsement in its history. Along with producers and processors, low cost distributors have played a great role in delivering to the American public the finest food living standard in the world. A thorough government investigation cannot but confirm this not too well known fact.

Following the Annual Meeting held in June, 1963 all of the officers were re-elected and, in addition, Mr. A. Balfour Brehman was elected an Assistant Secretary.

On January 16, 1964 the Board of Directors elected Mr. James A. Hamill a Vice President. He and Mr. Gordon E. Hovey, also a Vice President, carry responsibility for sales and operating results of the seven divisions in the East.

Mr. Fred J. Heaney and Mr. Frank L. Spoon, both retired Vice-Presidents with outstanding records of service and achievement, have served these past years as members of the Board of Directors. In accordance with our maximum age policy, they are not standing for re-election. They leave our Board with our deepest respect and sincerest good wishes.

During the past year, your management has had abundant cause for gratitude to shareholders, employees and suppliers for the continuing evidence of their loyalty and support. We face the years ahead with optimism which we feel is realistically based.

*Respectfully submitted,*

*Chairman, Board of Directors and President*

Philadelphia, Pa.  
May 21, 1964

## Financial and Operating Results

**Sales Reach New High:** Sales for the fiscal year ended March 28, 1964 increased \$37,625,066 or 3.48% to \$1,118,686,225. As in the previous fiscal year the increase is principally accounted for by increased tonnage. Retail food prices averaged about 1% higher than in the prior year and the index for meats, poultry and fish actually declined by about 3%.

**Record Net Earnings:** Earnings before taxes rose to \$28,119,764 compared to \$27,090,893 for the fiscal year ended March 30, 1963. Net earnings after taxes set a new record of \$13,589,764 compared with \$13,060,893 the previous year and exceeded the previous record set in the year ended March 31, 1962. Earnings per share were \$5.25 compared with \$5.06, adjusted for the 5% stock dividend paid March 28, 1964. Net earnings per sales dollar remained unchanged from the prior year at 1.21¢.

Net earnings for the year benefited slightly from the 1964 Revenue Act, which among other changes, reduced the corporate income tax rate to 50% from 52% effective January 1, 1964. This rate is scheduled to drop again on January 1, 1965 to 48%. However, coupled with the reduction in corporate income tax rates is a provision for the acceleration of tax payments. So, while the Company's reported net income will benefit, there will be no substantial benefit to the Company's cash position for about seven years.

**Dividends Up:** Cash dividends paid by the Company again set a new record high. Cash dividends totalled \$4,924,040 compared with \$4,680,355 the previous year.

In addition to the regular cash dividends, 123,227 shares having a value of \$8,132,982 were issued in payment of a 5% stock dividend on March 28, 1964. This is the eleventh consecutive year in which a 5% stock dividend has been paid.

Total cash dividends have risen steadily during this period since the Company has maintained the same rate per share on the increasing number of shares outstanding.

**Financial Position Strong:** Working capital increased by \$3,039,995 to \$78,056,901 at the year-end. The ratio of current assets to current liabilities was 2.25 to 1 compared with 2.33 to 1 last year. Capital expenditures for the year were \$17,590,244, an increase of \$4,084,917 over the previous year. The increase was principally accounted for by the new Alpha Beta distribution center. During the past ten years capital expenditures have totalled \$128,820,000 and have exceeded depreciation and amortization charges in the same period by 59%.

Long term debt was reduced by \$1,170,720 and at the year-end was \$12,909,748.

### Building For Future Growth:

**New Stores:** The new store program moved ahead on schedule with the opening of 54 units, including 25 opened by the Alpha Beta Division. Plans for the current year call for slightly fewer new stores to be opened.

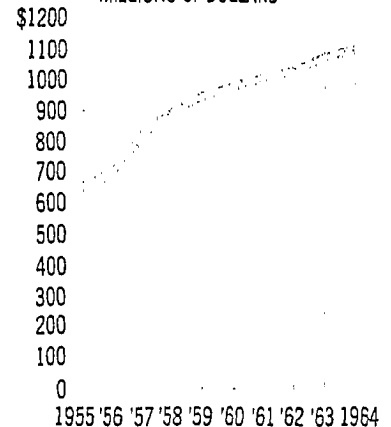
A number of other stores were renovated or remodelled where conditions justified in order to enhance our competitive position.

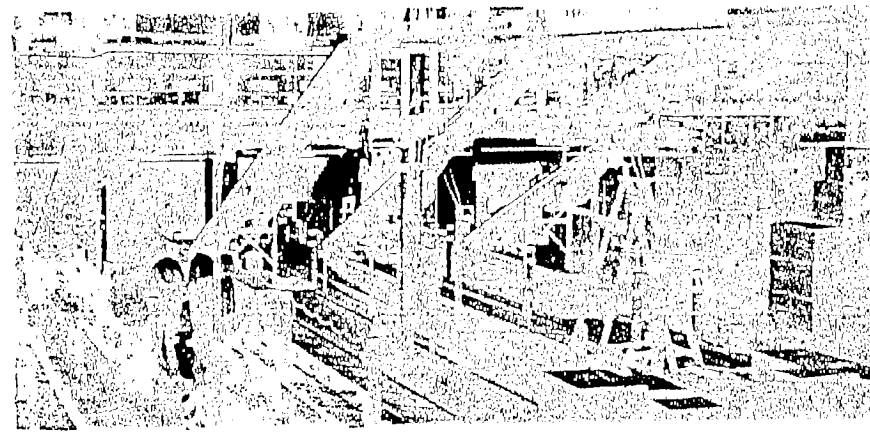
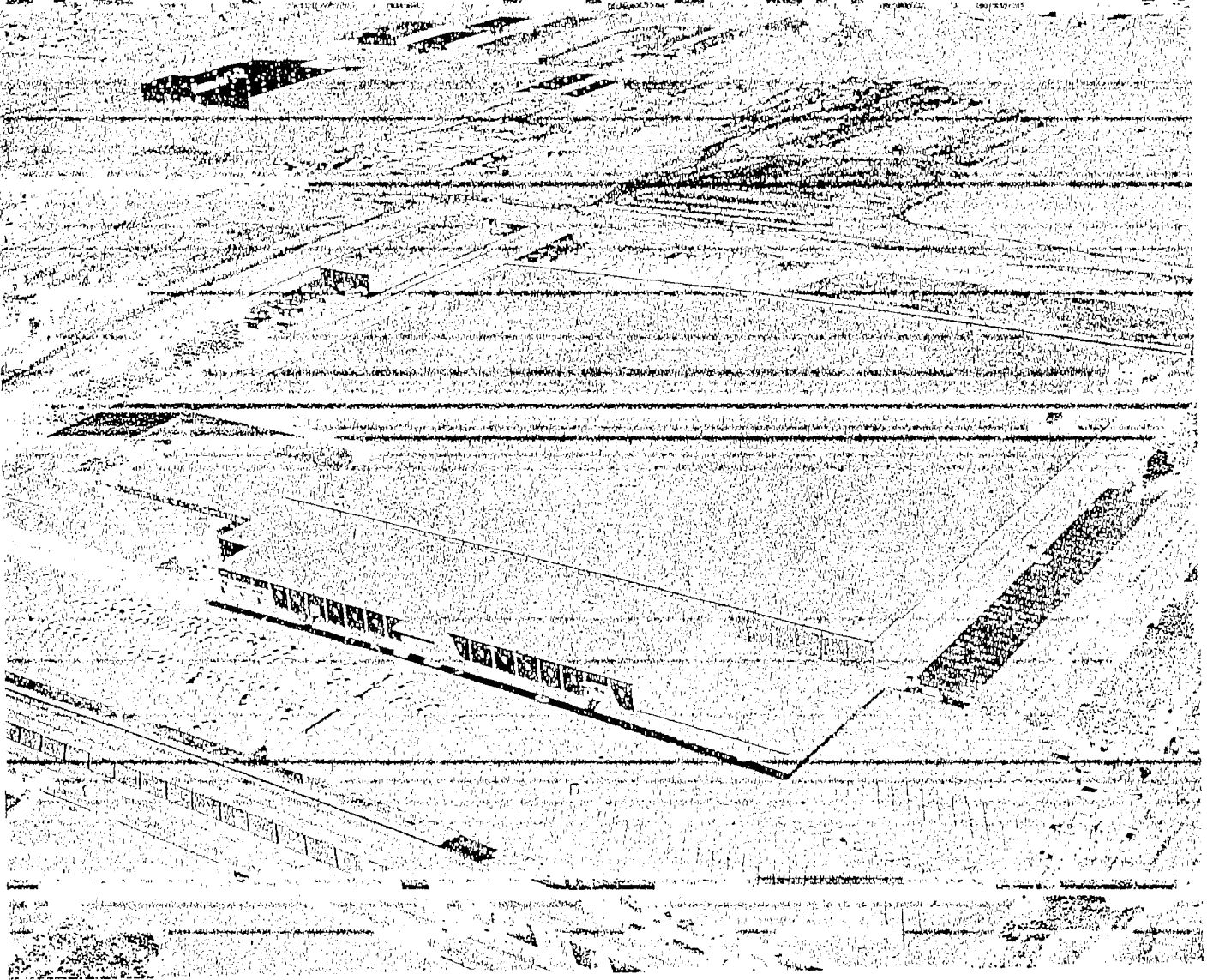
During the year 33 smaller, outdated stores were closed, including two of the service-type stores. As a result, the total number of stores in operation at the year-end increased by 21 to 883. The increase in the total number of stores in operation continues the trend started several years ago.

**Distribution Centers:** The new Alpha Beta Distribution Center, pictured on page 5, was completed toward the end of the fiscal year and shipments to the stores started early in April 1964. This structure of 576,000 square feet on a 50 acre tract will care for Alpha Beta's rapid growth, with all likely expansion possibilities accommodated. The dry grocery warehouse portion of the distribution center utilizes a unique double deck conveyor system to handle efficiently the increasing tonnage required by the Alpha Beta stores. In addition to the dry grocery warehouse, there are facilities for handling produce and delicatessen items, as well as a new office space for the Division personnel.

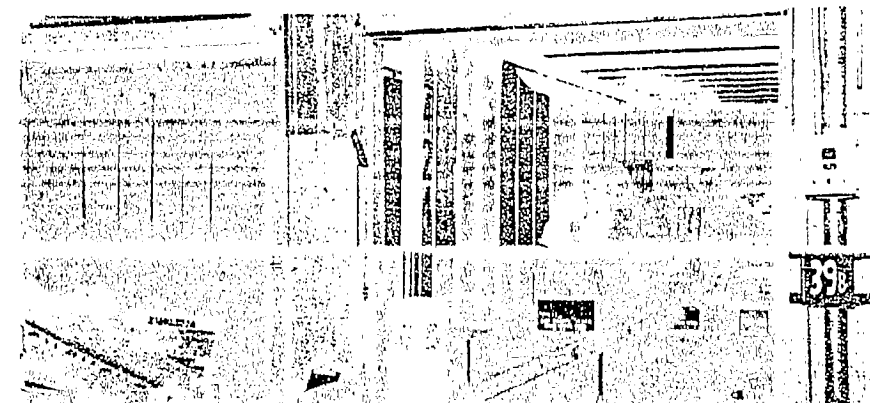
### SALES

MILLIONS of DOLLARS





Above: Exterior view shows the huge size of the recently completed Alpha Beta Distribution Center. The office facilities are located at the front of the building (towards the lower part of the picture). Interior views (at left) show the operation of the unique conveyor system.



## Source and Disposition of Funds

Fifty-two weeks ended March 28, 1964 and March 30, 1963

SOURCE:	1964	1963
	(In thousands)	
Net earnings .....	\$13,590	\$13,061
Charges against net earnings not involving the expenditure of funds:		
Depreciation and amortization .....	10,843	10,464
Deferred income taxes and investment credit .....	1,895	2,675
Total funds provided from operations .....	26,328	26,200
Proceeds from sales of common stock pursuant to exercise of options ....	185	233
Reduction in investment in unconsolidated subsidiaries, mortgages, etc. ...	136	613
Miscellaneous, net .....	76	720
	<u>\$26,725</u>	<u>\$27,766</u>
DISPOSITION		
Expended for plant and equipment .....	\$17,590	\$13,505
Repayment of long-term debt .....	1,171	2,721
Cash dividends .....	4,924	4,680
Increase in working capital .....	3,040	6,860
	<u>\$26,725</u>	<u>\$27,766</u>

Contracts have been let for the enlargement and modernizing of our perishables distribution center for the Philadelphia Division, which will meet long standing needs and open the way for lower operating costs. Included will be a facility for all frozen merchandise, enabling us to enjoy lower costs on many items delivered to the stores. Completion is expected during the early months of 1965.

A long and exhaustive study of handling costs of non-perishable merchandise to our retail stores in the East, revealed that for growth needs and greatest operational efficiency, we should have a Philadelphia facility for distributing certain items directly to all stores in the seven state area. Significant savings are possible, and so we have committed for the purchase of a tract of over 40 acres in the Philadelphia Food Distribution Center, with excellent rail and highway connections. Contracts will be let shortly for a structure of 470,000 square feet. The inherent economies of this program should be translated into improved results, and will also provide warehouse capacity for continuing sales growth in each of our divisions without added fixed investment for some years.

**New Bakery:** Studies are being made for a new bakery in the Newark, New Jersey Division. The stores in this Division are currently being served from our Philadelphia Bakery which is now operating beyond its efficient capacity.

**Personnel Development:** For many years our Company has been working very closely with various schools and colleges in the development of college-level programs for management personnel. Over forty company employees have completed the full year Curriculum in Food Distribution established at Michigan State, Cornell and The University of Southern California, leading to a Master's Degree. Courses of three and four weeks duration conducted by the American Management Association have been attended by many more of our employees to help improve their skills in communications and administration. These courses are used to supplement our Company training program of ten courses ranging from checker training, produce handling and meat cutting to store management and supervisory practices.

Currently sixty members of our bakery, engineering and retailing staff are enrolled in the Managerial Grid Laboratory-Seminar designed to improve decision-making and team relationships.

Three hundred and thirty-one employees are taking a home study course entitled "Economics for Business" conducted by Cornell University in co-operation with the National Association of Food Chains. This course is designed to familiarize operating personnel with the basic economic principles that affect the flow of goods from the producer to the consumer and help them better understand the economic principles as applied to the day-to-day activities of the retail food market.

## HOW OUR SALES DOLLAR WAS DIVIDED



79.66% For farmers, processors and transportation



10.06% To or for office and store employees



7.52% For rent, advertising, heat, light, interest and other operating expenses

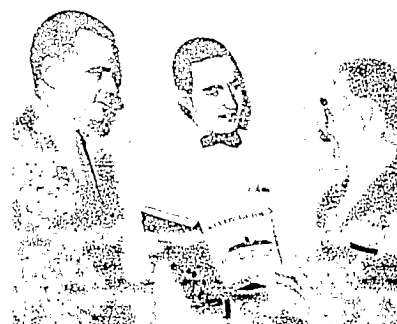


1.55% For federal, state and local taxes



1.21% For dividends and retained for needs of business

100.00%



Personnel Department staff members discuss the new Cornell University home study course with one of our store employees who is currently enrolled.



# ACME MARKETS, INC. and Subsidiaries

Fifty-two weeks ended March 28, 1964 (with comparative figures for preceding period)

	FIFTY-TWO WEEKS ENDED	
	MARCH 28,	MARCH 30,
<b>CURRENT EARNINGS</b>		
Sales .....	\$1,118,686,225	1,081,061,159
Cost of sales and operating expenses:		
Cost of merchandise sold, including warehousing and transportation expenses	891,842,387	861,766,264
Wages, rents, advertising, administrative and other operating expenses .....	188,421,659	181,997,573
Depreciation and amortization .....	10,843,263	10,464,001
	<u>1,091,107,309</u>	<u>1,054,227,838</u>
Operating profit .....	27,578,916	26,833,321
Other income (deductions):		
Interest income, net gain on sale and retirement of assets, etc. ....	991,027	934,850
Interest expense .....	(450,179)	(677,278)
Earnings before income taxes .....	<u>28,119,764</u>	<u>27,090,893</u>
Federal and State income taxes, estimated, including deferred amounts (note 2)	<u>14,530,000</u>	<u>14,030,000</u>
Net earnings .....	<u>\$ 13,589,764</u>	<u>13,060,893</u>

## EARNINGS RETAINED FOR USE IN THE BUSINESS

Balance at beginning of period .....	\$ 50,431,674	50,601,626
Net earnings for the period .....	13,589,764	13,060,893
	<u>64,021,438</u>	<u>63,662,519</u>
Deduct:		
Cash dividends—\$2 a share .....	4,924,040	4,680,355
Stock dividend—5% .....	8,132,982	8,550,490
	<u>13,057,022</u>	<u>13,230,845</u>
Balance at end of period .....	<u>\$ 50,964,416</u>	<u>50,431,674</u>

See accompanying notes to financial statements.

ACME MARKETS, INC.  
and Subsidiaries

ASSETS

	MARCH 28,	MARCH 30,
Current assets:		
Cash .....	\$ 37,563,725	32,712,895
Short-term marketable securities .....	4,948,333	7,887,868
Receivables .....	6,872,799	6,181,078
Inventories, at lower of cost or market .....	86,809,369	78,793,561
Prepaid expenses .....	4,082,109	4,691,775
Store properties covered by investors' commitments to purchase .....	257,049	1,145,951
Total current assets .....	140,533,384	131,413,128
Investment in unconsolidated subsidiary, mortgages, etc., at cost or less. . .	2,756,690	2,892,273
Plant and equipment:		
Land .....	9,943,840	9,000,870
Buildings .....	42,537,397	36,630,513
Machinery, equipment and fixtures .....	82,920,473	79,570,140
Leasehold costs and improvements .....	14,964,647	14,964,351
Total plant and equipment, at cost .....	150,366,357	140,165,874
Less accumulated depreciation and amortization .....	60,688,839	57,144,186
	89,677,518	83,021,688
Goodwill .....	1	1
	\$232,967,593	217,327,090

See accompanying notes to financial statements.

March 28, 1964 (with comparative figures for 1963)

# LIABILITIES AND STOCKHOLDERS' EQUITY

	MARCH 28,	MARCH 30,
Current liabilities:		
Notes payable, long-term, instalments due within one year (note 1) . . .	\$ 1,170,734	1,168,726
Accounts payable . . . . .	39,755,074	35,249,176
Accrued expenses . . . . .	14,751,530	12,283,576
Federal and State income taxes, estimated, less in 1964 United States Treasury securities, \$1,977,444 . . . . .	6,799,145	7,694,744
Total current liabilities . . . . .	62,476,483	56,396,222
Notes payable, long-term, less instalments due within one year (note 1) . . .	12,909,748	14,080,468
Deferred income taxes and investment credit (note 2) . . . . .	8,300,000	6,405,368
Provision for unfunded retirement benefits . . . . .	334,582	349,448
Stockholders' equity:		
Common stock of \$1 par value. Authorized 5,000,000 shares; outstanding 2,588,208 shares (1963—2,459,730 shares) (note 3) . . .	2,588,208	2,459,730
Capital in excess of par value of common stock (note 4) . . . . .	95,394,156	87,204,180
Earnings retained for use in the business, less amount capitalized through stock dividends (note 1) . . . . .	50,964,416	50,431,674
Total stockholders' equity . . . . .	148,946,780	140,095,584
	<u>\$232,967,593</u>	<u>217,327,090</u>

## ACME MARKETS, INC. and Subsidiaries

March 28, 1964

**(1) Notes Payable, Long-term.** A summary of long-term notes payable at March 28, 1964 is shown below:

	TOTAL	INSTALMENTS DUE WITHIN ONE YEAR	LONG- TERM
2½% note due August 1, 1967 ....	\$ 4,125,000	337,500	3,787,500
3% notes due August 1, 1967	9,227,500	787,500	8,440,000
4½% note due September 1, 1970 ..	330,482	45,734	284,748
	<u>\$14,080,482</u>	<u>1,170,734</u>	<u>12,909,748</u>

The 2½% and 3% notes are payable in aggregate annual instalments of \$1,125,000 from 1964 to 1966 inclusive with the remainder of \$10,375,000 payable at maturity. The 4½% note is payable in approximately equal annual amounts to maturity and is secured by deed of trust on certain real estate of a subsidiary.

Certain of the notes contain restrictions as to the payment of cash dividends and the reacquisition and retirement of shares of stock of the company, but retained earnings at March 28, 1964 were free of restriction.

**(2) Deferred Income Taxes and Investment Credit.** Depreciation charged to earnings for financial statement purposes is generally computed using the straight line method applied to individual property items; however, for income tax purposes depreciation claimed is substantially greater as it is computed by accelerated methods applied to composite groupings of assets. Provision has been made for deferred income taxes (\$1,378,749 in 1964 and \$1,941,251 in 1963) which will be payable when depreciation for financial statement purposes exceeds depreciation deductible for income tax purposes.

The income tax reduction resulting from the investment credit provisions of the Revenue Act has been deferred and is being amortized over the estimated useful lives of the qualified assets. The net amount deferred was \$515,883 and \$734,117 in 1964 and 1963, respectively.

**(3) Stock Options.** Under a stock option plan approved by the stockholders in 1952, there remained outstanding at March 28, 1964 options granted to 56 officers and employees to purchase 52,360 shares common stock at prices ranging from \$29.54 to \$76.31, such prices being 95% of market price on the respective dates of granting, adjusted for subsequent stock dividends. The options are exercisable on a cumulative basis over a period of 10 years or less from dates of granting. In addition, 37,275 shares common stock were reserved for future option grants, but it is proposed that no further options will be granted under the 1952 plan if the new plan, described hereunder, is approved by the stockholders.

In April 1964 the Board of Directors established, subject to approval by the stockholders at the Annual Meeting in June, the "Acme Markets, Inc. Qualified Stock Option Plan" covering 100,000 shares common stock. Under the new plan options may be granted to key management employees at not less than 100% of market price on date of grant; no such option may be exercised within one year from date of granting or after the expiration of five years.

**(4) Capital in Excess of Par Value of Common Stock.** During the year this account was increased by the excess of:

Assigned value over par value of 123,227 shares common stock issued as a stock dividend. ....	\$8,009,755
Sales proceeds over par value of 5,251 shares common stock sold to officers and employees pursuant to exercise of stock options .....	180,221
	<u>\$8,189,976</u>

**(5) Lease Commitments.** The company and a subsidiary were lessees under 701 leases (including 38 leases for stores under construction) expiring more than three years after March 28, 1964. Such leases call for minimum annual rentals (excluding taxes, insurance and maintenance expenses where payable by the lessee) totaling \$16,960,000, of which about 80% relates to leases expiring within 15 years and the remainder relates to leases expiring in from 15 to 23 years.

PEAT, MARWICK, MITCHELL & CO.

CERTIFIED PUBLIC ACCOUNTANTS

1500 WALNUT STREET

PHILADELPHIA, PA. 19102

THE BOARD OF DIRECTORS

ACME MARKETS, INC.:

We have examined the consolidated balance sheet of Acme Markets, Inc. and subsidiaries as of March 28, 1964 and the related statement of earnings for the fifty-two weeks then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and statement of consolidated earnings present fairly the financial position of Acme Markets, Inc. and subsidiaries at March 28, 1964 and the results of their operations for the fifty-two weeks then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

*Peat, Marwick, Mitchell & Co.*

Philadelphia, Pa.

May 12, 1964



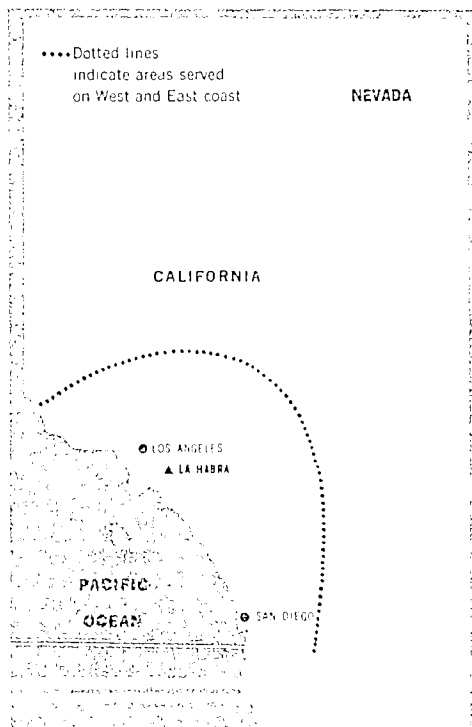
All dollar amounts are expressed in thousands except per share and per sales dollar figures

52 WEEKS ENDED	March 28, 1964	March 30, 1963	March 31, 1962	April 1, 1961	April 2, 1960 <sup>(a)</sup>	March 28, 1959	March 29, 1958	March 30, 1957	March 31, 1956	April 2, 1955
Sales .....	\$1,118,686	1,081,061	1,034,879	1,011,489	982,103	953,410	900,526	835,838	705,108	668,109
Earnings before taxes on income.....	28,120	27,091	28,230	27,543	22,467	25,324	23,632	21,819	19,113	15,658
Federal and State taxes on income.....	14,530	14,030	14,900	14,870	11,710	13,291	12,295	11,283	9,945	7,943
Net earnings .....	13,590	13,061	13,330	12,673	10,757	12,033	11,336	10,531	9,168	7,715
Cash dividends (common and preferred)....	4,924	4,680	4,439	4,377	4,534	3,857	3,999	3,703	3,154	2,926
Earnings for year retained in business.....	8,666	8,381	8,891	8,296	6,223	8,176	7,337	6,828	6,014	4,789
Net earnings per sales dollar.....	1.21¢	1.21¢	1.29¢	1.25¢	1.10¢	1.26¢	1.26¢	1.26¢	1.30¢	1.15¢
Earnings per share of common stock <sup>(b)</sup> .....	5.25	5.06	5.18	4.94	4.22	4.74	4.49	4.18	3.86	3.28
Cash dividends per share of common stock <sup>(c)</sup> .....	1.90	1.81	1.72	1.67	1.69	1.48	1.55	1.44	1.30	1.21
Stock dividends .....	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Current assets .....	140,533	131,413	124,839	117,195	112,006	105,169	101,572	92,740	82,717	75,480
Current liabilities .....	62,476	56,396	56,683	51,614	49,283	42,958	43,779	40,850	34,719	29,357
Working capital .....	78,057	75,017	68,156	65,581	62,723	63,211	57,793	51,890	47,998	46,123
Current ratio .....	2.25	2.33	2.20	2.27	2.27	2.47	2.32	2.27	2.38	2.57
Plant and equipment additions.....	17,590	13,505	15,752	10,129	15,607	13,207	10,311	12,254	9,289	11,176
Provision for depreciation and amortization..	10,843	10,454	9,694	9,032	8,768	8,203	7,095	6,490	5,539	4,861
Net plant and equipment.....	89,678	83,022	80,719	76,736	76,401	69,417	66,041	61,865	55,020	51,719
Total assets .....	232,968	217,327	209,064	196,069	190,655	178,996	171,387	156,626	138,891	128,308
Long-term debt, less current instalments.....	12,910	14,080	16,801	18,378	21,293	23,120	23,422	21,722	22,429	23,702
Common shares outstanding at year-end....	2,588,208	2,459,730	2,334,129	2,214,849	2,097,369	1,995,080	1,897,050	1,807,332	1,631,084	1,541,681
Common stockholders' equity:										
Total .....	148,947	140,096	131,481	122,338	113,814	107,319	98,897	91,279	79,189	72,978
Per share <sup>(b)</sup> .....	57.55	54.25	51.10	47.71	44.65	42.29	39.17	36.28	33.27	30.96
Number of retail stores at year-end.....										
Self-service super markets.....	859	836	811	799	812	809	818	794	764	782
Other stores .....	24	26	34	41	50	65	75	140	219	320
Total stores .....	883	862	845	840	862	874	893	934	983	1,102

(a) 53 week period.

(b) Based on shares of stock outstanding at year-end, adjusted for subsequent stock dividends.

(c) Based on shares of stock outstanding at year-end, adjusted for subsequent stock dividends and including dividends paid by an acquired company prior to merger (which in fiscal 1960 included five quarterly dividends). In each of the ten years cash dividends were declared on shares of ACME Markets, Inc. common stock then outstanding at the rate of \$2.00 per share.



IN THE EAST--

★ PHILADELPHIA, PA  
Main Office

▲ DIVISION OFFICES

	Number of Retail Stores
Pennsylvania	315
New York	114
New Jersey	194
Delaware	28
Maryland	103
Virginia	15
West Virginia	5
District of Columbia	4
<b>Total Stores</b>	<b>778</b>

ALPHA BETA

IN THE WEST--

▲ LA HABRA, CALIF -  
DIVISION OFFICE

Number of Markets	105
<b>Total Stores (all divisions)</b>	<b>883</b>



Familiar sights on the West and East coasts are these new Alpha Beta and Acme signs. The Alpha Beta sign pictured is for the new Distribution Center, but is typical of those used on the Alpha Beta stores. The Acme sign is being readied for delivery to a new market, similar to those pictured on the inside front cover.

